

A Case Study and an Exemplar: Chamlee-Wright's *Cultural and Political Economy of Recovery*

Bruce Caldwell

I begin with an obvious question. The core of Emily Chamlee-Wright's *The Cultural and Political Economy of Recovery: Social Learning in a Post-disaster Environment* is her finely-crafted ethnographic study of the responses of the residents of three different neighborhoods in New Orleans as they attempted to recover from the devastation wrought by Hurricane Katrina. So why doesn't the phrase *Hurricane Katrina* appear somewhere in the title or subtitle of the book? Surely any marketing department would have advised her that that would have allowed her to sell more copies.

As one reads it becomes evident that the choice of title was intentional. Though the experiences and narratives of the Katrina survivors are central to the story, the book is really about exploring new ways to study social orders – new, at least, to her mainstream economist colleagues – as they confront severely disruptive events. As Chamlee-Wright puts it early on,

This book seeks to understand how people cultivate strategies for recovery when the answers are not obvious; when a genuine process of discovery is required; and at points when the social coordination problems a post-disaster environment presents are most pronounced.

The analysis presented in this book suggests that at its core, post-disaster community redevelopment is a process of complex social learning (3-4).

The organization of the volume is straightforward. A brief introduction is followed by two chapters in which the key concept of “social learning” is described, a framework for its study is articulated, and the use of qualitative methods is defended. As Hayek demonstrated in “The Use of Knowledge in Society” and other works, a well-functioning market system is actually a vast communication network in which agents constantly learn through the “marvel” of the market mechanism about changes in relative scarcities throughout the

world. Social learning is analogous, but it occurs in non-price environments. Drawing on concepts developed by economic sociologists, economic anthropologists, and new institutionalist economists, Chamlee-Wright develops a framework with which cultural economy (as distinct from political economy) might be studied. The framework allows the cultural economist to examine interactions among a number of key variables, including social institutions as well as socially-embedded resources like shared mental models and collective narratives, social networks, cultural tools, and generalized norms (15-22). This model for studying the social order is the fundamental methodological contribution of the book, and its application to the Katrina disaster is meant to illustrate its usefulness.

In her next chapter Chamlee-Wright describes what is arguably the central obstacle facing any post-disaster recovery process, the collective action problem. The problem is easy to understand. The first people to return to a devastated community face the greatest hurdles, because of the lack of, well, virtually everything: housing, electricity, food, water, employment, schools, jobs, basic services. The rational response is to wait until others have taken the first steps. But if it is rational for one person to wait, it is rational for everyone else in the community to do so too. The longer this process goes on, the more difficult recovery becomes, as physical deterioration and psychological distancing accelerates. The key to post-disaster recovery, then, is somehow to overcome this collective action (maybe a better name would be “collective inaction”) problem.

The next three chapters examine, through a rich set of interviews and utilizing the framework for examining cultural political economy developed earlier, how three different communities coped or failed to cope (or, worst of all, were prevented from coping) with the problem. It is here that the diversity of socially-embedded resources is revealed. I will not attempt to summarize the remarkable stories that these chapters document, but suffice it to say that everything from strong (and perhaps feared) community leaders, narratives of oppression, of separateness, and of divine will, elements of xenophobia if not outright racism, and the love of weekend barbecues and pickled pork all play roles in explaining the successes and failures that these communities experienced.

In her closing chapters Chamlee-Wright draws some “policy implications” from her study, all of which make sense. After documenting the brutal abrogation of property rights that took place at the hands of presumably well-intentioned government redevelopment and planning agencies, and showing how the regime uncertainty that resulted severely hampered development in the Ninth Ward, the admonitions to minimize the distortion of the social learning process by leaving intact such things as “the rules of private

property, the rule of law, contract enforcement, and basic rights of self-determination” follow as a matter of course (137). Filling the civil society vacuum that exists in a post-disaster environment with a variety of private stake-holders, with people who actually have an active interest in recreating a community, is perhaps one of the best ways to do this. The critical steps of aligning expectations of recovery throughout the community, and of taking action quickly, are also clearly important. That none of this is easy is evident.

Chamlee-Wright says that her decision to move beyond political economy to incorporate themes and models from sociology and anthropology was made in the spirit of Hayek. But Hayek once quipped that as a theoretical field of study sociology made about as much sense as naturology, that it was a discipline without a subject (Hayek 1983: 197). So is Chamlee-Wright wrong to invoke Hayek here?

I think that Chamlee-Wright is right. Social learning and the learning that takes place in the market system are clearly analogous, not least because both social and market orders are examples of complex self-organizing systems. Furthermore, the idea that both the residents and, indeed, the researchers themselves needed to engage in an entrepreneurial process of discovery also fits nicely with key Austrian themes. But even more fundamentally, at various points in his career Hayek himself drew upon fields like sociology and cultural anthropology. His description of fascism as a type of middle class socialism, and his prolonged analysis of “how the worst get on top,” both to be found in *The Road to Serfdom*, are at base sociological arguments (Hayek [1944] 2007: 142-46; chapter 10). And in defending the idea of “Darwinians before Darwin” Hayek mentioned approvingly the work of cultural anthropologists (see, e.g., Hayek 1973, pp. 22, 152-53).

There is another way in which this book is a decidedly Austrian endeavor. I have argued elsewhere (see Caldwell 2004: 70) that in his debate with Gustav Schmoller over the proper methods of the social sciences, Carl Menger’s best argument for the possibility of a fruitful theoretical approach to the study of social phenomena was in fact his first book, *Principles of Economics*, which exemplified it. Chamlee-Wright is arguing for expanding the methods we use in the study of post-disaster recovery, and the best argument for how fruitful that might be is the book itself.

Reading the book prompts two questions, one rather minor (which I will take up first), the other fairly substantive. Presumably the framework that Chamlee-Wright has developed can be used to study not simply the phenomenon of post-disaster recovery, but all sorts of social orders under all sorts of conditions. My question is whether any additional categories would need to be added as different types of situations are studied. More generally, it

would be useful to know just how this framework compares to existing models that others who do ethnographic studies might utilize.

My second larger question concerns methodology. I think that the main reason I felt that Chamlee-Wright's study was so compelling is precisely because I am familiar with Austrian economics. As such, the notion of social learning that is analogous to the learning and discovery that takes place in a market system seemed immediately plausible. The fact that various government bodies, even those that include terms like "redevelopment" in their names, in reality often impede redevelopment also came as no surprise. What Chamlee-Wright has done is to develop an ethnographic framework that utilizes Austrian themes in discussing the possibilities for social coordination after a social crisis.

Does the theoretical framework that I am so comfortable with, and that Chamlee-Wright leans upon, affect what we see, how we interpret things, what questions we ask? The answer to each of these questions is, I think, yes. (But even here I am being influenced, in that this was a point that Carl Menger made in his debates against the German historical school economists, and is a fundamental part of the Austrian worldview.) Let us accept, though, for the moment that our theories affect how we see the world. People with different theories will emphasize different aspects of a story. In their place would be other narratives.

Certainly one of the most prevalent of these narratives about what happened in New Orleans post-Katrina tells a tale of indifference to the plight of low income black residents. The broad outlines of this narrative are familiar enough, and in their extreme representations they sometimes border on conspiracy theories. Thus the federal government under George W. Bush was so slow to respond because the people who were affected were low income blacks who typically voted Democratic.¹ Or there was no rush to shore up some of the levees because the city actually preferred that they burst where they did, because it would prevent the flooding of more affluent parts of the city. That would be a crime of omission. Other stories postulate crimes of commission: these include, for example, the alleged "eyewitness accounts" by people who claimed to have heard a bomb go off just prior to the bursting of the Seventeenth Street levee.

Chamlee-Wright discusses how the government contributed to the slow pace of recovery in places like the Ninth Ward by creating regime uncertainty and "signal noise" in the form of changeable redevelopment plans, by the slow creation of flood maps which would determine insurability, and by the conflicting goals of various relief efforts, from reconstruction to environmental protection to historical restoration. The alternative narrative would emphasize how certain political and economic interests might be served by delaying reconstruction in certain areas. If one wanted to immediately and permanently

reduce the number of low income minorities inhabiting a city, and to develop green zones and new housing for more affluent residents in their place, having a hurricane followed by a government-led “reconstruction effort” might be just the ticket.

My point is not to endorse this particular narrative. It is enough to recognize that it is a narrative that exists, and one that has been widely circulated. And as such it is something that might have affected at least some people’s behavior. Presumably some who left New Orleans and who did not return would have based their decision on elements of this story. But it is not something that seems to figure into the reasons that people gave for why they did not return to New Orleans. It seems to me that this is a missing element in Chamlee-Wright’s excellent study. The fact that the two “success stories” in terms of redevelopment were a working class and predominantly white community and a Vietnamese-American community only underlines the importance of dealing with the complex issue of race in a southern American city.

I have no knowledge about how to conduct a proper ethnographic study. The description that Chamlee-Wright provides of own her methods in chapter two seemed reasonable to me. But with the second narrative at the back of my head, I wanted to know more. Who was on the “team” that asked the questions? Were any of them locals? Were they white or black? From the north or the south? Were they seen as “social scientists”? All of these sorts of things might affect the answers that a subject might give, how they might be phrased, what things are left in and what left out.

Chamlee-Wright’s study exposed in rather horrific detail all of the “signal noise” that various government agencies produced that hindered the redevelopment process in New Orleans. This clearly had an effect on local people’s decisions to join in the redevelopment effort. But it might also be important to consider what those who were affected thought about *why* the government behaved in the way it did. For Austrians, the answer is simple. The government is a bloated slow-moving bureaucratic behemoth from which we can expect little but regulatory interference. (I overstate the case, of course, but the point is that for Austrians, that the government might produce signal noise is not something that requires much explanation.) The residents of post-Katrina New Orleans might have different views. Certain communities, like those who succeeded in recovering, might see the government as simply just another obstacle to overcome. But if one’s prior belief was that the government (or more likely, the economic and social powers that controlled the government) was out to get you, trying to resist might not seem worth it.

I suppose the larger methodological point behind my questions is this: how do ethnographers deal with the problem that one’s priors always affect the

questions one asks and the way that one hears the answers that are given? Are there “objective” ways to compare the different sorts of narratives that may emerge? Chamlee-Wright’s impressive study is, I think, a fine beginning, but I think the process of discovery that she described so well as she moved through her study is not yet at an end. And a good thing too!

Notes

¹ “You’re doing a heck of a job, Brownie,” a statement that shows how out of touch with the real situation he was, is often invoked by critics of President Bush. But just imagine how sinister this statement might well have sounded to someone who was living through the first week of Katrina’s aftermath.

References

- Caldwell, Bruce. 2004. *Hayek’s Challenge: An Intellectual Biography of F. A. Hayek*. Chicago: University of Chicago Press.
- Hayek, F. A. [1944] 2007. *The Road to Serfdom: Text and Documents*, edited by Bruce Caldwell, vol. 2 of *The Collected Works of F. A. Hayek*. Chicago: University of Chicago Press.
- Hayek, F. A. 1973. *Rules and Order*, vol. 1 of *Law, Legislation and Liberty*. Chicago: University of Chicago Press.
- Hayek, F. A. 1983. “Nobel Prize-Winning Economist,” edited by Armen Alchian. UCLA, Charles E. Young Research Library, Department of Special Collections, Oral History Transcript no. 300/224. Transcript of an interview conducted in 1978 under the auspices of the Oral History Program, University Library, UCLA.